

State of Utah

Department of **Natural Resources**

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director

Lieutenant Governor Representatives Present During the Inspection:

OGM Pete Hess Environmental Scientist III

Inspection Report

Permit Number:	C0410002		
Inspection Type:	PARTIAL		
Inspection Date:	Thursday, May 10, 2007		
Start Date/Time:	5/10/2007 9:00:00 AM		
End Date/Time:	5/10/2007 10:10:00 AM		
Last Inspection:	Wednesday, April 04, 2007		

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny and warm; 70's F. InspectionID Report Number: 1294

Accepted by: whedber

Permitee: CANYON FUEL COMPANY LLC Operator: CANYON FUEL COMPANY LLC

Site: SUFCO MINE

Address: 397 S 800 W. SALINA UT 84654

County: SEVIER

JON M. HUNTSMAN, JR. Governor GARY R. HERBERT

Company Mike Davis

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current Acreages

Total Permitted	26,766.95	
Total Disturbed	27.36	
Phase I		
Phase II		
Phase III		

Mineral Ownership

Types of Operations ✓ Federal ✓ Underground State Surface County Loadout Fee Processing Other Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee is current relative to the electronic submittal of required quarterly surface and ground water monitoring information. The Division notified the Permittee on March 27, 2007 that the 4th Quarter 2006 information has been successfully transferred from the database pipeline into the permanent record. The Permittee continues to meet the requirement of this Special Permit Condition included as Attachment "A" of the current State permit.

SUFCO is currently going through the permit renewal process.

There are no pending compliance actions.

Inspector's Signature:

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Date

Thursday, May 10, 2007

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- 3. Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcement
1.	Permits, Change, Transfer, Renewal, Sale				
2.	Signs and Markers	~			
3.	Topsoil	~			
4.a	Hydrologic Balance: Diversions	✓			
4.b	Hydrologic Balance: Sediment Ponds and Impoundments		V		
4.c	Hydrologic Balance: Other Sediment Control Measures	✓		V	
4.d	Hydrologic Balance: Water Monitoring	✓		✓	
4.e	Hydrologic Balance: Effluent Limitations				
5.	Explosives		✓		
6.	Disposal of Excess Spoil, Fills, Benches		✓		
7.	Coal Mine Waste, Refuse Piles, Impoundments	✓			
8.	Noncoal Waste	V			
9.	Protection of Fish, Wildlife and Related Environmental Issues	V		✓	
10.	Slides and Other Damage		V		
11.	Contemporaneous Reclamation		✓		
12.	Backfilling And Grading		V		
13.	Revegetation		V		
14.	Subsidence Control		✓		
15.	Cessation of Operations				
16.a	a Roads: Construction, Maintenance, Surfacing	✓			
16.Ł	Roads: Drainage Controls	V			
17.	Other Transportation Facilities				
18.	Support Facilities, Utility Installations	~			
19.	AVS Check				
20.	Air Quality Permit				
21.	Bonding and Insurance				
22.	Other	✓		V	

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4.c Hydrologic Balance: Other Sediment Control Measures

All of the distrubed areas in Link Canyon utilize alternate sediment control measures. All of the silt fences at the electrical substation and intake portal area appeared capable of functioning as designed. The Permittee intends to add additional gravel to the surface of the Link portal access road this month.

4.d Hydrologic Balance: Water Monitoring

There was not any flow observed in Link Canyon this day. There was no water observed inby the intake portal chain link guarding. The caved portal (which is outside of the disturbed area perimeter) did not show any flow.

9. Protection of Fish, Wildlife and Related Environmental Issues

The Permittee has scheduled May 18, 2007 for the annual raptor evaluation, which is conducted via helicopter.

22. Other

A local rancher has filed for a water right on the water in Quitchupah Creek which exists because of the SUFCO Mine mine water discharge. The State engineer's office is in the process of evaluating this claim. The old Link fan portal which has been rendered inaccessible appears to be unchanged.